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SANDISK CORPORATION  
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8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10

11 **SANDISK CORPORATION,**

12 **Plaintiff,**

13 **v.**

14 **LSI CORPORATION,**

15 **Defendant.**  
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20 **LSI CORPORATION AND AGERE  
SYSTEMS INC.,**

21 **Counterclaimants,**

22 **v.**

23 **SANDISK CORPORATION,**

24 **Counterdefendant.**  
25  
26  
27  
28

Case No. C09-02737 WHA

**SANDISK CORPORATION'S  
ANSWER AND AFFIRMATIVE  
DEFENSES TO THE  
COUNTERCLAIMS OF LSI  
CORPORATION AND AGERE  
SYSTEMS INC.**

**DEMAND FOR JURY TRIAL**

Judge: Hon. William H. Alsup  
Courtroom 9, 19th Floor

Date Filed: June 19, 2009  
Trial Date: None Set

**SANDISK CORPORATION'S ANSWER AND AFFIRMATIVE DEFENSES**

SanDisk Corporation ("SanDisk") hereby submits the following Answer and Affirmative Defenses to the Counterclaims of LSI Corporation ("LSI") and Agere Systems Inc. ("Agere") ("the Counterclaims").

**ANSWER**

**Jurisdiction and Venue**

1. SanDisk admits that this Court has jurisdiction over the Counterclaims under 35 U.S.C. § 101 *et seq.* and 28 U.S.C. §§ 1331 and 1338(a).

2. SanDisk admits that venue is proper in this district under 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b).

**Parties**

3. SanDisk does not have knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3 of the Counterclaims and therefore denies the same.

4. SanDisk does not have knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 4 of the Counterclaims and therefore denies the same.

5. Admitted.

**The LSI Patents**

6. SanDisk admits that United States Patent No. 5,379,356 (the "Purcell '356 Patent") on its face recites the title "Decompression Processor for Video Applications" and appears to have been issued on January 3, 1995. SanDisk denies that the Purcell '356 Patent was duly and legally issued. SanDisk does not have knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 6 of the Counterclaims and therefore denies the same.

7. SanDisk does not have knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the Counterclaims and therefore denies the same.

1           8.       SanDisk denies the allegations contained in paragraph 8 of the Counterclaims.

2           9.       SanDisk denies having had actual or constructive notice of the Purcell '356 Patent.

3 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

4           10.      SanDisk admits that United States Patent No. 5,809,174 (the "Purcell '174

5 Patent") on its face recites the title "Decompression Processor for Video Applications" and

6 appears to have been issued on September 15, 1998. SanDisk denies that the Purcell '174 Patent

7 was duly and legally issued. SanDisk does not have knowledge or information sufficient to form

8 a belief as to the truth of the remaining allegations contained in paragraph 10 of the

9 Counterclaims and therefore denies the same.

10          11.      SanDisk does not have knowledge or information sufficient to form a belief as to

11 the truth of the allegations contained in paragraph 11 of the Counterclaims and therefore denies

12 the same.

13          12.      SanDisk denies the allegations contained in paragraph 12 of the Counterclaims.

14          13.      SanDisk denies having had actual or constructive notice of the Purcell '174 Patent.

15 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

16          14.      SanDisk admits that United States Patent No. 5,864,817 (the "Galbi '817 Patent")

17 on its face recites the title "Method for Decoding MPEG Audio Data" and appears to have been

18 issued on January 26, 1999. SanDisk denies that the Galbi '817 Patent was duly and legally

19 issued. SanDisk does not have knowledge or information sufficient to form a belief as to the truth

20 of the remaining allegations contained in paragraph 14 of the Counterclaims and therefore denies

21 the same.

22          15.      SanDisk does not have knowledge or information sufficient to form a belief as to

23 the truth of the allegations contained in paragraph 15 of the Counterclaims and therefore denies

24 the same.

25          16.      SanDisk denies the allegations contained in paragraph 16 of the Counterclaims.

26          17.      SanDisk denies having had actual or constructive notice of the Galbi '817 Patent.

27 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

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1           18.     SanDisk admits that United States Patent No. 5,890,124 (the “Galbi ’124 Patent”)  
2 on its face recites the title “Windowing Method for Decoding of MPEG Audio Data” and appears  
3 to have been issued on March 30, 1999. SanDisk denies that the Galbi ’124 Patent was duly and  
4 legally issued. SanDisk does not have knowledge or information sufficient to form a belief as to  
5 the truth of the remaining allegations contained in paragraph 18 of the Counterclaims and  
6 therefore denies the same.

7           19.     SanDisk does not have knowledge or information sufficient to form a belief as to  
8 the truth of the allegations contained in paragraph 19 of the Counterclaims and therefore denies  
9 the same.

10          20.     SanDisk denies the allegations contained in paragraph 20 of the Counterclaims.

11          21.     SanDisk denies having had actual or constructive notice of the Galbi ’124 Patent.  
12 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

13          22.     SanDisk admits that United States Patent No. 5,982,830 (the “Maturi ’830 Patent”)  
14 on its face recites the title “Hysteretic Synchronization System for MPEG Audio Frame Decoder”  
15 and appears to have been issued on November 9, 1999. SanDisk denies that the Maturi ’830  
16 Patent was duly and legally issued. SanDisk does not have knowledge or information sufficient  
17 to form a belief as to the truth of the remaining allegations contained in paragraph 22 of the  
18 Counterclaims and therefore denies the same.

19          23.     SanDisk does not have knowledge or information sufficient to form a belief as to  
20 the truth of the allegations contained in paragraph 23 of the Counterclaims and therefore denies  
21 the same.

22          24.     SanDisk denies the allegations contained in paragraph 24 of the Counterclaims.

23          25.     SanDisk denies having had actual or constructive notice of the Maturi ’830 Patent.  
24 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

25          26.     SanDisk admits that United States Patent No. 6,982,663 (the “Winger ’663  
26 Patent”) on its face recites the title “Method and System for Symbol Binarization” and appears to  
27 have been issued on January 3, 2006. SanDisk denies that the Winger ’663 Patent was duly and  
28 legally issued. SanDisk does not have knowledge or information sufficient to form a belief as to

1 the truth of the remaining allegations contained in paragraph 26 of the Counterclaims and  
2 therefore denies the same.

3 27. SanDisk does not have knowledge or information sufficient to form a belief as to  
4 the truth of the allegations contained in paragraph 27 of the Counterclaims and therefore denies  
5 the same.

6 28. SanDisk denies the allegations contained in paragraph 28 of the Counterclaims.

7 29. SanDisk denies having had actual or constructive notice of the Winger '663 Patent.  
8 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

9 30. SanDisk admits that United States Patent No. 5,670,730 (the "Grewe '730 Patent")  
10 on its face recites the title "Data Protocol and Method for Segmenting Memory for a Music Chip"  
11 and appears to have been issued on September 23, 1997. SanDisk denies that the Grewe '730  
12 Patent was duly and legally issued. SanDisk does not have knowledge or information sufficient  
13 to form a belief as to the truth of the remaining allegations contained in paragraph 30 of the  
14 Counterclaims and therefore denies the same.

15 31. SanDisk does not have knowledge or information sufficient to form a belief as to  
16 the truth of the allegations contained in paragraph 31 of the Counterclaims and therefore denies  
17 the same.

18 32. SanDisk denies the allegations contained in paragraph 32 of the Counterclaims.

19 33. SanDisk denies having had actual or constructive notice of the Grewe '730 Patent.  
20 SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

21 34. SanDisk admits that United States Patent No. 5,696,928 (the "Grewe '928 Patent")  
22 on its face recites the title "Memory Chip Architecture for Digital Storage of Prerecorded Audio  
23 Data Wherein Each of the Memory Cells Are Individually Addressable" and appears to have been  
24 issued on December 9, 1997. SanDisk denies that the Grewe '928 Patent was duly and legally  
25 issued. SanDisk does not have knowledge or information sufficient to form a belief as to the truth  
26 of the remaining allegations contained in paragraph 34 of the Counterclaims and therefore denies  
27 the same.

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35. SanDisk does not have knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Counterclaims and therefore denies the same.

36. SanDisk denies the allegations contained in paragraph 36 of the Counterclaims.

37. SanDisk denies having had actual or constructive notice of the Grewe '928 Patent. SanDisk admits that the filing of the Counterclaim constitutes notice under 35 U.S.C. § 287.

**Count 1**

**(Infringement of United States Patent No. 5,379,356)**

38. SanDisk incorporates by reference each of its responses to the allegations in paragraphs 1 through 37 above.

39. SanDisk denies the allegations contained in paragraph 39 of the Counterclaims. SanDisk specifically denies any past or continuing act of infringement of the Purcell '356 Patent. SanDisk also specifically denies any past or continuing act of indirect infringement through any act of contributory infringement of the Purcell '356 Patent. SanDisk specifically denies any past or continuing act of indirect infringement through any act of inducing infringement of the Purcell '356 Patent.

40. SanDisk denies the allegations contained in paragraph 40 of the Counterclaims. SanDisk specifically denies any past or continuing act of willful infringement of the Purcell '356 Patent.

41. SanDisk denies the allegations contained in paragraph 41 of the Counterclaims.

## Count 2

**(Infringement of United States Patent No. 5,809,174)**

42. SanDisk incorporates by reference each of its responses to the allegations in paragraphs 1 through 41 above.

43. SanDisk denies the allegations contained in paragraph 43 of the Counterclaims. SanDisk specifically denies any past or continuing act of infringement of the Purcell '174 Patent. SanDisk also specifically denies any past or continuing act of indirect infringement through any act of contributory infringement of the Purcell '174 Patent. SanDisk specifically denies any past

1 or continuing act of indirect infringement through any act of inducing infringement of the Purcell  
2 '174 Patent.

3 44. SanDisk denies the allegations contained in paragraph 44 of the Counterclaims.  
4 SanDisk specifically denies any past or continuing act of willful infringement of the Purcell '174  
5 Patent.

6 45. SanDisk denies the allegations contained in paragraph 45 of the Counterclaims.

7 **Count 3**

8 **(Infringement of United States Patent No. 5,864,817)**

9 46. SanDisk incorporates by reference each of its responses to the allegations in  
10 paragraphs 1 through 45 above.

11 47. SanDisk denies the allegations contained in paragraph 47 of the Counterclaims.  
12 SanDisk specifically denies any past or continuing act of infringement of the Galbi '817 Patent.  
13 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
14 act of contributory infringement of the Galbi '817 Patent. SanDisk specifically denies any past or  
15 continuing act of indirect infringement through any act of inducing infringement of the Galbi  
16 '817 Patent.

17 48. SanDisk denies the allegations contained in paragraph 48 of the Counterclaims.  
18 SanDisk specifically denies any past or continuing act of willful infringement of the Galbi '817  
19 Patent.

20 49. SanDisk denies the allegations contained in paragraph 49 of the Counterclaims.

21 **Count 4**

22 **(Infringement of United States Patent No. 5,890,124)**

23 50. SanDisk incorporates by reference each of its responses to the allegations in  
24 paragraphs 1 through 49 above.

25 51. SanDisk denies the allegations contained in paragraph 51 of the Counterclaims.  
26 SanDisk specifically denies any past or continuing act of infringement of the Galbi '124 Patent.  
27 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
28 act of contributory infringement of the Galbi '124 Patent. SanDisk specifically denies any past or

1 continuing act of indirect infringement through any act of inducing infringement of the Galbi  
2 '124 Patent.

3 52. SanDisk denies the allegations contained in paragraph 52 of the Counterclaims.  
4 SanDisk specifically denies any past or continuing act of willful infringement of the Galbi '124  
5 Patent.

6 53. SanDisk denies the allegations contained in paragraph 53 of the Counterclaims.

7 **Count 5**

8 **(Infringement of United States Patent No. 5,982,830)**

9 54. SanDisk incorporates by reference each of its responses to the allegations in  
10 paragraphs 1 through 53 above.

11 55. SanDisk denies the allegations contained in paragraph 55 of the Counterclaims.  
12 SanDisk specifically denies any past or continuing act of infringement of the Maturi '830 Patent.  
13 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
14 act of contributory infringement of the Maturi '830 Patent. SanDisk specifically denies any past  
15 or continuing act of indirect infringement through any act of inducing infringement of the Maturi  
16 '830 Patent.

17 56. SanDisk denies the allegations contained in paragraph 56 of the Counterclaims.  
18 SanDisk specifically denies any past or continuing act of willful infringement of the Maturi '830  
19 Patent.

20 57. SanDisk denies the allegations contained in paragraph 57 of the Counterclaims.

21 **Count 6**

22 **(Infringement of United States Patent No. 6,982,663)**

23 58. SanDisk incorporates by reference each of its responses to the allegations in  
24 paragraphs 1 through 57 above.

25 59. SanDisk denies the allegations contained in paragraph 59 of the Counterclaims.  
26 SanDisk specifically denies any past or continuing act of infringement of the Winger '663 Patent.  
27 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
28 act of contributory infringement of the Winger '663 Patent. SanDisk specifically denies any past



1 or continuing act of indirect infringement through any act of inducing infringement of the Winger  
2 '663 Patent.

3 60. SanDisk denies the allegations contained in paragraph 60 of the Counterclaims.  
4 SanDisk specifically denies any past or continuing act of willful infringement of the Winger '663  
5 Patent.

6 61. SanDisk denies the allegations contained in paragraph 61 of the Counterclaims.

7 **Count 7**

8 **(Infringement of United States Patent No. 5,670,730)**

9 62. SanDisk incorporates by reference each of its responses to the allegations in  
10 paragraphs 1 through 61 above.

11 63. SanDisk denies the allegations contained in paragraph 63 of the Counterclaims.  
12 SanDisk specifically denies any past or continuing act of infringement of the Grewe '730 Patent.  
13 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
14 act of contributory infringement of the Grewe '730 Patent. SanDisk specifically denies any past  
15 or continuing act of indirect infringement through any act of inducing infringement of the Grewe  
16 '730 Patent.

17 64. SanDisk denies the allegations contained in paragraph 64 of the Counterclaims.  
18 SanDisk specifically denies any past or continuing act of willful infringement of the Grewe '730  
19 Patent.

20 65. SanDisk denies the allegations contained in paragraph 65 of the Counterclaims.

21 **Count 8**

22 **(Infringement of United States Patent No. 5,696,928)**

23 66. SanDisk incorporates by reference each of its responses to the allegations in  
24 paragraphs 1 through 65 above.

25 67. SanDisk denies the allegations contained in paragraph 66 of the Counterclaims.  
26 SanDisk specifically denies any past or continuing act of infringement of the Grewe '928 Patent.  
27 SanDisk also specifically denies any past or continuing act of indirect infringement through any  
28 act of contributory infringement of the Grewe '928 Patent. SanDisk specifically denies any past

1 or continuing act of indirect infringement through any act of inducing infringement of the Grewe  
2 '928 Patent.

3 68. SanDisk denies the allegations contained in paragraph 68 of the Counterclaims.  
4 SanDisk specifically denies any past or continuing act of willful infringement of the Grewe '928  
5 Patent.

6 69. SanDisk denies the allegations contained in paragraph 69 of the Counterclaims.

7 70. SanDisk denies that LSI and Agere are entitled to any of the relief for which it  
8 prays.

### 9 **AFFIRMATIVE DEFENSES**

#### 10 **First Affirmative Defense**

##### 11 **(Non-Infringement)**

12 71. SanDisk is not infringing, has not infringed, and has not contributed to, or induced  
13 the infringement of any valid and enforceable claim of the Purcell '356, Purcell '174, Galbi '817,  
14 Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents either directly,  
15 indirectly, or under the doctrine of equivalents.

#### 16 **Second Affirmative Defense**

##### 17 **(Invalidity)**

18 72. On information and belief, one or more claims of the Purcell '356, Purcell '174,  
19 Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents are  
20 invalid for failure to satisfy one or more of the conditions of patentability of 35 U.S.C. § 1 *et seq.*,  
21 including without limitation §§ 101, 102, 103, and/or 112, as well as those set forth in 37 C.F.R. §  
22 1.1 *et seq.*

#### 23 **Third Affirmative Defense**

##### 24 **(Estoppel)**

25 73. On information and belief, LSI and Agere is estopped from construing one or more  
26 of the claims in the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663,  
27 Grewe '730, and Grewe '928 Patents in a way as to cover SanDisk's activities by reason of prior  
28 art, the disclosure or language in the specification of the Purcell '356, Purcell '174, Galbi '817,

Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents, limitations in the claims of the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents, and statements made during the prosecution of the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents.

**Fourth Affirmative Defense**

**(35 U.S.C. § 286)**

74. On information and belief, LSI's and Agere's claims for damages are limited or barred in part from recovery due to the running of the statute of limitations for such claims as set forth in 35 U.S.C. § 286.

**Fifth Affirmative Defense**

**(Laches, Waiver, Equitable Estoppel)**

75. On information and belief, LSI's and Agere's claims for damages are limited or barred from recovery under the equitable doctrine of laches, waiver, and/or equitable estoppel.

**Sixth Affirmative Defense**

**(Substantial Non-Infringing Use)**

76. SanDisk's products cannot contributorily infringe the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents because they have substantial non-infringing uses.

**Seventh Affirmative Defense**

**(No Injunctive Relief)**

77. On information and belief, LSI and Agere are not entitled to injunctive relief because any alleged injury to LSI and/or Agere is not immediate or irreparable, and LSI and/or Agere have an adequate remedy at law.

**Eighth Affirmative Defense**

**(Collateral Estoppel and Judicial Estoppel)**

78. On information and belief, LSI and Agere are barred pursuant to the doctrines of collateral estoppel and/or judicial estoppel from re-asserting and/or altering its positions on factual and legal issues that were previously adjudicated and decided.

**Ninth Affirmative Defense**

**(28 U.S.C. § 1498)**

79. To the extent that certain products accused of infringing the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents are used and/or manufactured for the United States, LSI's and Agere's claims against SanDisk with respect to such products may not be pursued in this Court and are subject to other limitations pursuant to 28 U.S.C. § 1498.

**Tenth Affirmative Defense**

**(35 U.S.C. § 287 and § 288)**

80. On information and belief, LSI and Agere have failed to comply with the provisions of 35 U.S.C. § 287 and that any claim for damages for patent infringement by LSI and Agere is limited by 35 U.S.C. § 287 to those damages occurring after legally proper notice of alleged infringement. To the extent that any claim of the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents is held invalid, LSI and Agere are precluded under 35 U.S.C. § 288 from recovering costs relating to this action.

**Eleventh Affirmative Defense**

**(License, Exhaustion, Implied License)**

81. On information and belief, LSI and Agere are barred, in part, from asserting the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents, from collecting damages thereunder, and from obtaining any form of equitable relief, because of license, exhaustion, and/or implied license.

**Twelfth Affirmative Defense**

**(Unclean Hands)**

82. On information and belief, LSI and Agere are barred from asserting the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents and/or from obtaining any form of equitable relief, pursuant to the equitable doctrine of unclean hands.

**Thirteenth Affirmative Defense**

**(Patent Misuse)**

83. On information and belief, LSI and Agere are barred from asserting the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents and/or from obtaining any form of relief because LSI and Agere and/or its predecessors in interest to the Purcell '356, Purcell '174, Galbi '817, Galbi '124, Maturi '830, Winger '663, Grewe '730, and Grewe '928 Patents have committed acts of patent misuse.

**Fourteenth Affirmative Defense**

**(Failure to State a Claim for Relief)**

84. On information and belief, LSI's and Agere's Counterclaims fail to state a claim on which relief may be granted, as LSI's and Agere's claims against SanDisk, and the causes of action contained therein, are vague and uncertain.

**PRAYER**

85. SanDisk respectfully requests that the Court enter judgment:

- a. That the claims against SanDisk be dismissed in its entirety with prejudice;
- b. That U.S. Patent Nos. 5,379,356; 5,809,174; 5,864,817; 5,890,124; 5,982,830; 6,982,663; 5,670,730; and 5,696,928 are invalid and/or unenforceable.
- c. That SanDisk has not infringed and is not now infringing U.S. Patent Nos. 5,379,356; 5,809,174; 5,864,817; 5,890,124; 5,982,830; 6,982,663; 5,670,730; and 5,696,928.
- d. Awarding SanDisk its costs and attorneys' fees because this case is exceptional under 35 U.S.C. § 285; and

1 e. Granting SanDisk any further relief to which the Court may deem just and proper.  
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3 Dated: September 1, 2009.

JONES DAY

4  
5 By: \_\_\_\_\_/s/  
6 Gregory L. Lippetz

7 Attorneys for Plaintiff/Counterdefendant  
8 SANDISK CORPORATION  
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